

Claims 2-5, 7, 9-12 and 15 have been amended as follows:

2. (Amended) A method for grinding a magnetic member, comprising:

AI a first step of grinding a magnetic member by grinding means having an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region;

a second step of magnetically separating sludge from the grinding fluid drained from the grinding region; and

a third step of separating the sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge.

3. (Amended) The method according to Claim 2, wherein

the magnetic member includes a rare-earth alloy,

the second step using magnetic separation means having a surface magnetic flux density not smaller than 0.25 T for separation of the sludge.

4. (Amended) The method according to Claim 2, wherein the grinding fluid is primarily made of water.

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5. (Amended) The method according to Claim 2, wherein the grinding fluid after separation of the sludge is supplied to the grinding region for use in circulation.

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7. (Amended) A method for treating waste fluid, comprising:
a step of separating sludge containing a rare-earth alloy from waste fluid by using magnetic separation means having a surface magnetic flux density not smaller than 0.25 T; and
a step of separating the sludge from the waste fluid by magnetic coagulation and subsequent sedimentation of the sludge.

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9. (Amended) An apparatus for grinding a magnetic member, comprising:
grinding operation means for grinding a magnetic member by using grinding means having an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region;
magnetic separation means for separating sludge from the grinding fluid drained from the grinding region; and
a tank disposed on a downstream side of the magnetic separation means, for reception of the grinding fluid and sedimentation of magnetically coagulated sludge.

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10. (Amended) The apparatus according to Claim 9, wherein the magnetic member includes a rare-earth alloy, the magnetic separation means having a surface magnetic flux density not smaller than 0.25 T.

11. (Amended) The apparatus according to Claim 9, wherein the grinding fluid is primarily made of water.

12. (Amended) The apparatus according to Claim 9, further comprising circulating means for supplying the grinding fluid after separation of the sludge to the grinding region for use in circulation.

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15. (Amended) A rare-earth magnet obtained by using a grinding method: the method comprising; a first step of grinding a magnetic member by grinding means having an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region, a second step of magnetically separating sludge from the grinding fluid drained from the grinding region, and a third step of separating the sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge.

Claims 16 and 17 have been added as follows:

16. A method for grinding a magnetic member, comprising:

AS a first step of grinding a Nd-Fe-B rare-earth alloy by grinding means having an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region;

a second step of magnetically separating fine-particle sludge from the grinding fluid drained from the grinding region; and

a third step of separating the sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge.

17. A method for grinding a magnetic member, comprising:

a first step of grinding a rare-earth alloy which includes a hard primary phase and a tough grain boundary phase by grinding means having an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region;

a second step of magnetically separating sludge from the grinding fluid drained from the grinding region; and

a third step of separating the sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge.
